



Department of Energy

Washington, DC 20585

MEMORANDUM FOR HEADS OF FIELD ELEMENTS

FROM: ELIZABETH E. SMEDLEY
ACTING CHIEF FINANCIAL OFFICER

SUBJECT: FY 1999 FIELD BUDGET CALL

The purpose of this memorandum is to transmit budget guidance for preparation and submission of FY 1999 field budget requests. This year's budget guidance reflects our continuing efforts to streamline the field budget process. Attachment D, General Guidance, discusses the revised reporting requirements. The more significant changes in this year's guidance are discussed below.

The Summary of Estimates Tables and the In-House Energy Management Program schedules are eliminated from this year's field budget submission. Also, the Office of Information Management crosscut has been reduced from 3 data categories to 1 data category.

There is also a change in program direction reporting requirements. Last year, the Energy and Water Development subcommittee requested that DOE organizations have one program direction line within each appropriation account for all Federal Full-Time Equivalents (FTEs), both in the field and Headquarters, and that object class and average fully loaded FTE cost information be provided. This year, the average fully loaded Federal FTE cost data will not be included for program direction.

The FY 1999 budget request is the first year that agencies are required to fully implement the requirements of the Government Performance and Results Act (GPRA). The Office of Management and Budget (OMB) examiners have assured us that there will be increased scrutiny of agency budgets in regards to performance measures. This is also due in part to a major shift in emphasis by the new OMB Director to have the examiners focus more on management issues and performance measures rather than purely budget issues. OMB examiners will be looking for specific linkage between the Department's Strategic Plan, Annual Performance Plan and performance measures in the budget. As such, it is very important that field offices work closely with Headquarters programs in developing supporting performance measures for the FY 1999 budget request. Headquarters programs have been asked to make sure that they provide the needed planning information, funding targets, program goals, objectives, outputs, and outcomes that field budgets should support in the FY 1999 budget submission.

Effective with the Department's FY 1999 budget submission, OMB Circular A-11 requires agencies to fully fund the acquisition of all fixed asset acquisitions. OMB envisions the process to

be an integral part of Strategic Planning, Annual Performance Planning, and Capital Planning to ensure that the best trade-offs are made between funding the operational expenses of an existing asset and the acquisition of a new one. We anticipate that OMB will require more backup information to justify new projects, such as life cycle cost. This year all fixed assets with a life cycle asset cost of \$20 million or greater require a written justification. We recognize the overlap between the new OMB reporting requirement and our present project data sheets. However, time does not permit us to modify our project data sheets wisely during this budget cycle and; therefore, we plan to do so before the next field budget cycle to help alleviate the additional reporting burden. Additional guidance on budgeting for the Planned Acquisition of Fixed Assets is contained in Attachments D.

Finally, please be aware that there have not been any changes in Functional Support Cost. Functional Support Cost is currently under review and any changes in policy will be provided by separate cover memorandum. Allocable Cost Reporting is no longer required. However, field offices will continue to review and provide oversight of accumulation and distribution practices and monitoring of contractor allocable costs in accordance with the guidance in Attachment E. Crosscut data for Environmental, Safety and Health, Safeguards and Security, and Information Management crosscuts will continue to be submitted in accordance with the guidance provided in Attachment E.

There are three main submission dates for field budget requests. Primary budget materials such as project data sheets, field work proposals, Activity Data Sheets, and crosscuts are due April 15, 1997. Since the planned acquisition of fixed assets data, schedule 300B, reports performance data for the year that is required to be submitted to OMB with the Department's budget request, it is due July 30, 1997, and should include data through June 30, 1997. All remaining budget materials are due April 29, 1997.

A submission checklist is provided for your convenience in Attachment C. Attachment E, the Field Section of the Budget Formulation Handbook is provided under separate cover memorandum. A limited number of hard copies of the Field Budget Call will be available this year. However, the Call, with the exception of the specific program guidance, will be available on the CFO Homepage in WordPerfect 6.1 and Acrobat PDF formats. Specific program guidance may be obtained from the Headquarters Program Office.

General questions on information in this Field Budget Call should be directed to David Bugg on 202-586-4715. Specific questions on budget exhibits should be directed to the person listed in the point of contact matrix located in the front of each Chapter of the DOE Budget Formulation Handbook.

Attachments

cc: Heads of Headquarters Elements
Principal Budget Contacts

**DEPARTMENT OF ENERGY
FY 1999 FIELD BUDGET CALL**

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**DEPARTMENT OF ENERGY
FY 1999 FIELD BUDGET CALL**

CALENDAR OF EVENTS

Compliance with the Field Budget Call concept is essential in the development of mission-driven, performance-based budgets. Changes to due dates and program budget guidance undermine the field's efforts to develop realistic outputs and outcomes, and accordingly, quality budget estimates. Therefore, all participants in the unified field budget process are expected to follow the schedule provided below:

- | | | |
|------------|---|--|
| Jan | - | FY 1999 Field Budget Call issued |
| February 6 | - | FY 1998 Budget submitted to Congress |
| April 15 | - | Primary Budget Justifications, Project Data Sheets, and Crosscut data due to Headquarters (see Attachment C) |
| | - | Operations Office pricing validations due to Headquarters |
| April 29* | - | Supplementary budget materials data due to Headquarters (see Attachment C) |
| July 30 | - | Planned Acquisition of Fixed Assets data due to Headquarters (see Attachment C) |

***Please refer to Attachment C - Submission Checklist, Attachment D - General & Supplemental Guidance, and the attached DOE Budget Handbook (Attachment E) to determine your exact reporting requirements. Questions should be directed to the person listed in the Point of Contact matrix contained in the front of the Budget Handbook.**

**DEPARTMENT OF ENERGY
FY 1999 FIELD BUDGET CALL**

SUBMISSION CHECKLIST

<u>EXHIBIT</u>	<u>HANDBOOK REFERENCE</u> (Attachment E)	<u>DUE DATE</u>
Primary Budget Materials:		
Prograsm Direction (Federal FTEs Only)	Chapt. II, para.2	April 15
Field Work Proposals and Activity Data Sheets	Chapt. II, para.3	April 15
Project Data Sheets	Chapt. II, para.4	April 15
Supplementary Budget Materials:		
Motor Vehicle Statement	Chapt. III, para.3	April 29
Reimbursable Work	Chapt. III, para.4	April 29
Cost of Work for Others	Chapt. III, para.5	April 29
Aircraft Statement	Chapt. III, para.6	April 29
Surplus Facilities Management	Chapt. III, para.7	April 29
Isotopes Inventory Transactions	Chapt. III, para.8	April 29
Acquisition of Fixed Assets	Chapt. III, para.9	July 30
Financial Management Activities	Chapt. III, para.10	April 29
Landlord	Chapt. III, para.11	April 29
Crosscut Requirements:		
*Environmental, Safety and Health	Chapt. IV, para.2	April 15
Safeguards and Security	Chapt. IV, para.3	April 15
*Information Management	Chapt. IV, para.4	April 15

***Field sites may take until April 29 to submit ES&H and IM portion of crosscut data for the Field Budget Call.**

**DEPARTMENT OF ENERGY
FY 1999 FIELD BUDGET CALL**

GENERAL AND SUPPLEMENTAL GUIDANCE

This attachment provides both general and supplemental budget guidance for preparing FY 1999 Field budget materials. Since there have been some changes to this year's guidance, this attachment and the attached Field Chapter of the DOE Budget Formulation Handbook (Attachment E) should be carefully reviewed to determine the exact reporting requirements for your organization. Each section of this attachment and the handbook includes a point of contact who is available to answer questions and assist you in preparing your budget materials.

Listed in order below are the subjects addressed in this attachment:

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*Capitalization Threshold	D-2
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* These items contain new or revised reporting requirements for the FY 1999 Field Budget Call

GENERAL GUIDANCE

Reporting Requirements for Program Direction (Federal Employees Only)

Last year, the Energy and Water Development (EWD) Committee directed that each organization have one program direction line within each appropriation account for all Federal Full-Time Equivalents (FTEs), both field and Headquarters. The Conference Report language also required that object class, and average “fully loaded” FTE cost information be provided. In subsequent discussions with the EWD subcommittee staff, the Department has been informed that “fully loaded” average FTE cost is no longer required. As such, all Operations Offices that receive EWD funding will continue to prepare and submit a Program Performance Summary and an Object Class Summary for program direction by organization, appropriation and program; however, average FTE cost will not be included. (e.g., Energy Research, Energy Supply Research and Development, Basic Energy Sciences).

There are also two new backup schedules, Support Services and Other Related Cost that must be completed for program direction this year. Detailed narrative guidance and sample schedules are contained in the attached Field Section of the DOE Budget Formulation Handbook (see Chapter II-2.1). Questions on this new reporting requirement should be directed to Melissa Andersen (CR-13) on 202/586-8413.

Summary of Estimates Tables

The Summary of Estimates Tables is no longer required.

Change in Capitalization Threshold

As a reminder, the Department increased the capitalization threshold to \$25,000 effective October 1, 1996. Questions concerning this policy change should be directed to Dave Bugg or Melissa Andersen (CR-13) on (202) 586-4016.

Funding Targets

Headquarters Program Offices have been requested to provide funding targets with their respective program guidance. Field Elements should request future funding levels from the Headquarters Program Offices if they are not included with program guidance. Copies of the Department's final FY 1998 Control Table, Budget Highlights, and Cost by State and Laboratory Funding Tables will be provided to you as soon as the FY 1998 budget request is transmitted to the Congress.

Economic Assumptions

Field Elements are to develop budget estimates for operating expense activities and federal personnel costs using the November 15, 1996 OMB prescribed inflation rates as provided

below. The rates provided below represent the most current rates received from OMB to date and should be used unless notified otherwise.

<u>Budget Year</u>	<u>Operating Expenses</u>	<u>Pay and Personnel Related</u>
FY 1998	2.7	4.9
FY 1999	2.7	4.1
FY 2000	2.7	4.1
FY 2001	2.7	4.1
FY 2002	2.7	4.1
FY 2003	2.7	4.1

The Office of Field Management (FM) updates and distribute inflation rates for construction projects only once a year. FM has been requested to make the update in January of each year so that the update of construction-related inflation rates will be in sync with the budget formulation process and, therefore, facilitates the development of more realistic budget estimates.

The latest update is January 1996 and is provided at the end of this attachment for your convenience. These rates are also available on FM's Homepage at <http://www.fm.doe.gov/FM-20/escal.htm>. These rates should be used in any new project estimate or estimate update. Questions on inflation rates for construction projects should be directed to Peter Devlin, FM-20, Office of Project and Fixed Asset Management at 202-586-4509.

Reference to Fiscal Years in Budget Schedules

Section I of the DOE Budget Formulation Handbook (Attachment E) contains the standard reporting schedules used to prepare field budget submissions. Since these schedules are not specific to any given fiscal year, budget data is requested by the standard FY 19PY, FY 19CY, FY 19BY convention. For the FY 1999 Field Budget Call, the following fiscal years should be used in place of the fiscal year conventions:

Budget Year plus one	FY 19BY+ 1	FY 2000
Budget Year	FY 19BY	FY 1999
Current Year	FY 19CY	FY 1998
Prior Year	FY 19PY	FY 1997
Prior Year minus one	FY 19PY-1	FY 1996

Questions related to fiscal year references should be directed to David Bugg (CR-13) on (FTS)202/586-4715.

DOE Budget Formulation Handbook (Field Chapter)

Attachment E is the updated Field Section of the DOE Budget Formulation Handbook for the FY 1999 field budget process. It contains the detailed reporting requirements as well as other important information such as definitions, key concepts, reference materials, training guidelines, procedures for budget validation/documentation, etc. The handbook should be used as a supporting reference document for developing budget materials consistent with policies established in DOE Budget Formulation Order 130.1.

Comments and suggestions on how the handbook may be improved are encouraged. As you use the handbook, please annotate your comments on the associated guidance or reporting format and submit them to David Bugg and Melissa Andersen in the Budget Operations Division, (FOR-4A-105). Comments can be provided to them over the phone as well. They can be reached on (FTS) 202/586-4016.

Explanation of Change

As a reminder, all budget materials reflecting changes in cost must include detailed narrative explanations. This includes changes associated with on-going or level of effort activities as well as new starts and decreases. Any increases in costs associated with implementing policies established in the revised DOE Order 130.1 should also be identified. These explanations are essential for evaluating budget estimates and understanding the impact of DOE Order requirements. Questions related to explanation of changes should be directed to David Bugg and Melissa Andersen (CR-13) on (FTS) 202/586-4016.

Decision Unit/B&R Crosswalk

The Decision Unit/B&R Crosswalk will no longer be provided. Questions regarding this change should be directed to Melissa Andersen (CR-13) on 202/586-8413.

Submission Requirements

All field sites must submit their budget submissions to the funding Headquarters organization through the appropriate DOE Operations Office. Field sites that report directly to a Headquarters organization are exempt from this requirement. Operations Offices are to submit field budget materials to the appropriate Headquarters organization as indicated below:

- o One copy of all supplementary budget materials required by the Office of Budget (e.g., Financial Management Activities, Reimbursable Work, etc.) and one copy of Project Data Sheets should be sent to the Director of the Budget Analysis Division, Office of Budget (CR-14),
- o Copies of program budget materials should be submitted to the requiring Headquarters program organization as specified in Attachment F,

- o Copies of budget materials requested in the DOE Budget Formulation Handbook should be submitted to the Headquarters staff organization requiring the report,
- o Three hard copies and a computer disk of project data sheets should be submitted to the funding Headquarter organization. WordPerfect(6 or higher) is the preferred word processing software. In addition, a hard copy should be submitted to the Office of Project and Fixed Asset Management (FM-20). Conceptual Design Reports (CDRs), site maps showing the location of each project, and a five-year construction plan should be included with data sheet submissions, if specifically required.

As a reminder, primary budget materials such as project data sheets, field work proposals, activity data sheets, and crosscuts are due April 15, 1997. Remaining field budget materials are due April 29, 1997, with the exception of Planned Acquisition of Fixed Assets which is due July 30, 1997. Please refer to Attachment C - Submission Checklist for the exact submission requirements for your organization. Questions should be directed to David Bugg or Melissa Andersen (CR-13) on (FTS)202/586-4016.

SUPPLEMENTAL GUIDANCE

Functional Cost

Headquarters is reviewing the functional support cost policy memorandum dated October 7, 1996, subject: Functional Support Cost Reporting. Any changes in policy will be conveyed by a separate memorandum. Crosscut data for Safeguards and Security, Environmental Safety and Health, and Information Management will be submitted in accordance with guidance in Attachment E, DOE Budget Formulation Handbook.

Allocable Costs

Allocable Costs reporting requirements are eliminated. However, requirements remain for continued review and oversight of accumulations and distribution practices, and monitoring of contractor execution of Management and Operating (M&O) contractor and other contractor allocable costs.

Uncosted Balances

As a reminder, Uncosted balances will be reported at the end of the fiscal year in accordance with the November 8, 1996 memorandum, subject: Policy on Uncosted Balances.

Field Budget Call-Teleconference

A Teleconference call will not be held. General questions on information in this Field Budget Call should be directed to David Bugg in Budget Operations Division (CR-13) on (FTS) 202/586-4715. Specific questions on budget exhibits should be directed to the person listed in

the point of contact matrix located in the attached Field Chapter of the DOE Budget Formulation Handbook.

Performance-Based Budgeting

The FY 1999 budget request is the first year of full implementation of GPRA, and OMB and Congress will be placing additional emphasis on performance measures. In this regard, Headquarters and the field should work very close in establishing performance measures for the FY 1999 budget submission.

In this call, performance-based budget guidance is provided in two separate places. First, general guidance that describes performance-based budgeting and reporting expectations is provided in Chapter I of the attached DOE Budget Formulation Handbook. Secondly, program guidance on performance-based budgeting such as specific program goals, objectives, outputs and outcomes is provided in Attachment F. General questions concerning performance-based budgeting should be directed to David Bugg or Melissa Andersen (CR-13) on (FTS) 202/586-4016. Questions concerning specific program guidance should be directed to the budget contact for the funding organization.

Full Funding for Planned Acquisition of Fixed Assets

Beginning with the FY 1999 budget request, OMB Circular A-11, requires all agencies to fully fund their fixed asset acquisitions. To support this policy, field elements will prepare budget request to reflect full funding of fixed assets for all new or ongoing projects. Projects with a life cycle asset cost of \$20 million and over require a written justification. The revised A-11 policy also requires that Major computer acquisitions be included. Further guidance and reporting formats are provided in Section III-9 of Attachment E, the DOE Budget Formulation Handbook. General questions concerning this new reporting requirement should be directed to David Bugg (CR-13) on (FTS) 202-586-4016.

Safeguards and Security

As a reminder, Safeguards and Security crosscut data is required. Safeguards and Security has new reporting requirements. Questions concerning the revised reporting requirements should be directed to (NN-13) Alice King on 301-903-8782 or Karen Stewart (NN-513) 301-903-9934.

Information Management

Information Management (IM) is a significant part of the Departmental budget and a primary enabler for accomplishing DOE missions more effectively and efficiently. This year IM has reduced the reporting requirements from 3 categories to 1 categories. IM's revised reporting requirements are provided at Attachment E, DOE Budget Formulation Handbook, Chapter IV -

3. Questions on the revised IM reporting requirement should be directed to James King (HR 42) on 202-586-8041.

In-House Energy Management Program

Reporting requirement have been eliminated.

Surplus Facilities Management

As a reminder, Operations Offices are now required to prepare and submit surplus facilities management funding requirements as a part of their Field Budget Submission. This information will be used by the funding program organization and the Office for Transition and Management (EM-60) to support the management and disposition of surplus facilities. Guidance on how to develop this information is provided in the attached DOE Budget Formulation Handbook (Section III-6). Questions relating to this reporting requirement should be directed to the programmatic "owner" and/or "funder" of each surplus facility.

Operations Office Validation Report

As a part of budget validation process, Operations Offices should include with the transmittal of field budget submissions, a cover memo that briefly describes the key findings of their validation review. If the validation review is not complete for the April 15 submission, the cover memo should describe validation efforts underway as well as the anticipated completion date of the review. In either case, the cover memo should report any relevant findings and any actions taken to address these findings. Examples of relevant findings are double funding for the same activity or no funding for an orphan facility. General guidance and a list of sample questions to use during the validation review are provided in Chapter I of the attached DOE Budget Formulation Handbook. Budget validations may focus primarily on verifying the reasonableness of cost estimates, that is conducting a pricing review rather than validating programmatic assumptions and priorities. Questions related to budget validation reports should be directed to David Bugg or Melissa Andersen (CR-13) on (FTS)202/586-4016.

Environment, Safety and Health

"In order to meet new departmental reporting requirements resulting from the Government Management Reform Act (GMRA) of 1994, the department must be able to identify noncompliances with laws, regulations, executive orders, and DOE Orders which implement risk-significant regulatory requirements. These noncompliances are considered liabilities under GMRA which must be carried in the departmental end of year financial statement. As a result, the ES&H Management Plan "ADS Type" data field (Field 23 of the ADS) will remain a mandatory field for the FY 1999 Budget Cycle. ADS preparers should ensure that all "non-EM" funded ADSs are categorized as either Core, Compliance, or Improvement activities. ES&H activities funded by EM are exempt from this requirement since liabilities under GMRA have already been captured by the Baseline Environmental Management Report (BEMR).

Questions on the consolidated summary or the ES&H Crosscut contained in the attached DOE Budget Formulation Handbook should be directed to Raymond Blowitski (EH-30.2) on 301/903-9878.

Financial Management Activities

Chapter III, Paragraph 10 of the Field Section of the DOE Budget Formulation Handbook (Attachment E) is designated for financial management activities. For FY 1999, reporting requirements have been revised or eliminated. Please do not fail to read the reporting requirements in its entirety. Questions concerning financial management activities should be directed to Ben Chatterson (CR-423) on (FTS) 301/903-4184.

Landlord Funding

As stated in chapter III-11 of the attached DOE Budget Formulation Handbook, for the FY 1999 budget cycle, there are no changes in funding responsibility or in funding methods for landlord costs.

Project Data Sheets System

A Project Data System (PDS) has been developed to automate the collection, processing, retrieval, and reporting of project information. Questions concerning the PDS may be directed to Walter Eckhardt, CR-13, on (301) 903-2330.

Project Validations

As a reminder, all projects must be reviewed and validated in accordance with the Field Project Validation Guidance Memorandum dated December 13, 1996 before being included in a program's FY 1999 budget request. Please provide project data sheets and Conceptual Design Reports as applicable to Field Management as directed in this call (see Attachment C) and the FY 1999 Project Review/Validation memorandum referenced above.

It should be noted that in addition to the above provisions, project data sheets are required for each "Operating Expense Funded" project over \$2.0 million. FY 1999 field requests at or exceeding \$100 million in total project costs should be consistent with existing project scoping guidance referred to in the Secretary of Energy Memorandum dated June 26, 1996 (Fiscal Year 1996 Strategic Systems and Recommended Energy Systems Acquisition Advisory Board Procedures. In particular, the narrative justification should include project objectives which establish mission need consistent with and supported by program strategic plans and site comprehensive plans. An approved mission need decision (Critical Decision 1) should be completed by the appropriate authority and referenced. Critical Decisions 2, 3 and 4 should also be referenced as appropriate. Full funding amounts for phases between each critical decision should be in the project validation as appropriate.

To respond to new OMB fixed asset reporting requirements, the cost of operating and maintaining a facility must also be provided. As part of the validation process, FM will use project data sheets for specific information dealing with funding needed to operate, maintain and dispose of fixed assets. Specifically, data sheets should identify the operations and maintenance staffing (by FTE) and costs resulting from the projects. Also needed is the funding required for replacement capital equipment, General Plan Projects to maintain facility capability, and additional related infrastructure costs. The objective is to start providing OMB the total life cycle funding commitment required for each project. In future years, further economic analysis and data will be required. Questions on project validations should be directed to Martin Newdorf on (FTS) 202/586-9708.

DEPARTMENTAL PRICE CHANGE INDEX**January 1996 Update****FY 1999 GUIDANCE****ANTICIPATED ECONOMIC ESCALATION RATES****DOE CONSTRUCTION PROJECTS**

<u>FISCAL YEAR</u>	<u>ENERGY RESEARCH & NUCLEAR</u>		<u>FOSSIL</u>		<u>CONSERV/SOLAR</u>		<u>DEFENSE PRG/ GEN CONSTR</u>	
	<u>INDEX</u>	<u>% CH</u>	<u>INDEX</u>	<u>% CH</u>	<u>INDEX</u>	<u>% CH</u>	<u>INDEX</u>	<u>% CH</u>
1997	1.000	2.8	1.000	2.6	1.000	2.6	1.000	2.5
1998	1.030	3.0	1.030	3.0	1.029	2.9	1.026	2.6
1999	1.063	3.1	1.061	3.1	1.060	3.0	1.053	2.7
2000	1.097	3.3	1.095	3.2	1.093	3.1	1.082	2.8
2001	1.134	3.4	1.131	3.3	1.128	3.2	1.114	2.9
2002	1.173	3.4	1.168	3.3	1.164	3.2	1.146	2.9

These indices are to be in effect for one year, with the next guidance coming in January 1997. Based on the materials and labor data contained in the Energy Supply Planning Model and appropriate escalation rates forecasted by Data Resources, Incorporated, it would be expected that DOE projects conform to those rates shown above. Guidelines for the implementation of DOE Order 430.1 LIFE-CYCLE ASSET MANAGEMENT, recommend that any local rates different from those above be submitted to the Office of Project and Fixed Asset Management for approval, prior to their use. Additional advice and assistance can be obtained from the Associate Deputy Secretary for Field Management, Office of Project and Fixed Asset Management (202) 586-9029.

DEPARTMENTAL PRICE CHANGE INDEX**January 1996 Update****FY 1999 GUIDANCE****ANTICIPATED ECONOMIC ESCALATION RATES****ENVIRONMENTAL RESTORATION & WASTE MANAGEMENT PROJECTS**

FISCAL YEAR	<u>ENVIRONMENTAL RESTORATION</u>		<u>WASTE MANAGEMENT</u>	
	<u>INDEX</u>	<u>%CHANGE</u>	<u>INDEX</u>	<u>%CHANGE</u>
1997	1.000	2.8	1.000	2.5
1998	1.027	2.7	1.025	2.5
1999	1.056	2.9	1.053	2.7
2000	1.088	3.0	1.084	2.9
2001	1.122	3.1	1.116	3.0
2002	1.158	3.2	1.151	3.1

These indices are to be in effect for one year, with the next guidance coming in January 1997. Based on the materials and labor data contained in the Energy Supply Planning Model and appropriate escalation rates forecasted by Data Resources, Incorporated, it would be expected that DOE projects conform to those rates shown above. Guidelines for the implementation of DOE Order 430.1 LIFE-CYCLE ASSET MANAGEMENT, recommend that any local rates different from those above be submitted to the Office of Project and Fixed Asset Management for approval, prior to their use. Additional advice and assistance can be obtained from the Associate Deputy Secretary for Field Management, Office of Project and Fixed Asset Management (202) 586-9029.

**DEPARTMENT OF ENERGY
FY 1999 FIELD BUDGET CALL**

**DOE Budget Formulation Handbook
FIELD BUDGET PROCESS SECTION**

Attachment E is the updated Field Section of DOE Budget Formulation Handbook. It contains the detailed reporting requirements as well as other important items such as definitions, key concepts, reference documents, budget training, procedures for budget validation/documentation, etc. It should be used as a supporting reference document for developing budget materials consistent with policies established in DOE Order 130.1 - DOE Budget Formulation.

The Budget Operation Division welcomes any comments and suggestions you may have to improve it. As you read through the handbook, please write down any comments or suggestions that come to mind and submit them to the Budget Operations (CR-13) at FORS-4A-105 or by fax on 202/586-4504. Comments and suggestions can also be given by phone to David Bugg on 202/586-4715 or Melissa Andersen on 202/586-8413.

**DEPARTMENT OF ENERGY
FY 1999 FIELD BUDGET CALL**

HEADQUARTERS PROGRAM BUDGET GUIDANCE

In accordance with the Department's Field Budget Call concept, this attachment provides the Headquarters program budget guidance to be followed in preparing FY 1999 field budget submissions. This guidance should be carefully reviewed and followed. Questions on the attached guidance should be directed to the appropriate Headquarters program point of contact.

The following programs have submitted program budget guidance for inclusion in the FY 1999 Field Budget Call:

1. Energy Research
2. Energy Efficiency and Renewable Energy
3. Nuclear Safeguards & Security, and Security Investigation
4. Office of Inspector General

Additional program budget guidance required for the field budget process will be distributed as soon as it is received from the program office.

Program budget guidance is included as an attachment to the field budget call for the purpose of issuing a unified set of guidance to the field. Program organizations are responsible for ensuring that their guidance is consistent with both current departmental policy directives and the jointly developed and agreed to unified field budget concept. To avoid guidance conflicts and inappropriate budget formulation work efforts, any instances of potential discrepancies in program budget guidance should be brought to the immediate attention of the cfo for resolution.

These same guidance principles also apply to program budget guidance that is issued to the field separately from the annual field budget call.

This attachment is distributed to Field Elements and will be provided to Headquarters Elements upon request.

**Office of Nonproliferation and National Security
Nuclear Safeguards & Security, and Security Investigation**

Office of Inspector General

Energy Efficiency and Renewable Energy

Energy Research